



NEWS RELEASE

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BREDESEN PRESERVES COVERAGE FOR MEDICALLY NEEDY

Nashville- Governor Phil Bredesen today announced that the state of Tennessee is moving forward with the terms of an agreement to preserve coverage for 97,000 of the sickest and neediest TennCare enrollees. The agreement was the focus of a three-week federal court hearing, which resulted in a positive ruling for the state from US District Court Judge John Nixon.

"Today I'm proud to say we will be able to keep a program that serves 97,000 of the sickest and neediest enrollees on TennCare," said Governor Bredesen. "Two weeks ago, we received a ruling from federal court Judge John Nixon that we have long been awaiting. It's a ruling that we've spent the past week and a half examining in hopes that it gives us the controls necessary to take this important step. And while we didn't get everything we asked for, we do believe we have enough to move forward."

Joining Governor Bredesen for the announcement at Meharry Medical College were enrollee attorney George Barrett, TennCare enrollee David Daniels, Meharry President John Maupin and representatives from the other organizations that are party to the agreement. Governor Bredesen praised the way these enrollees and providers have linked arms with the state to limit disenrollment and help reform the financially troubled TennCare program.

"What we're trying to do here is simple: We're fighting for people," Bredesen continued. "And by that I mean all the people - the people who are remaining on the program, the people who are being disenrolled and the 700,000 people who never had health care coverage in the first place."

Governor Bredesen emphasized that the state is seeking clarification from Judge Nixon on a number of aspects of his ruling regarding prior authorization for prescription drugs and the mechanics of the appeals process. He further added that these clarifications will be critical in determining whether the state will be able to soften TennCare's benefit limits for those enrollees facing the most serious health problems.

The agreement, or Memorandum of Understanding, was signed on April 26, 2005, between the state of Tennessee and a number of TennCare enrollees, their attorneys and major health care stakeholders and providers - including the Tennessee Hospital Association, the Hospital Alliance of Tennessee, the Med in Memphis, General Hospital in Nashville, Wellmont Health Systems in Kingsport, and the University of Tennessee Medical Group. The agreement called for the preservation of the Medically Needy program in exchange for relief from elements of the Grier consent decree.

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